The U.S. Power Sector and Climate Policy

An InfluenceMap Report

April 2022

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Executive Summary

- InfluenceMap’s 2022 U.S. Power Sector and Climate Policy Report analyzes the climate policy engagement of the 25 largest Investor-Owned Utilities (IOUs) in the U.S., covering over 80% of the total market cap of publicly listed utilities. The results show a wide spectrum of engagement with climate policy, indicating a highly fractured sector in terms of climate policy positioning.

- The U.S. has reached a critical juncture for climate policy. Despite growing calls for oil and gas expansion in the midst of an international crisis, it is widely understood that the U.S. risks falling short of its nationally determined contribution to the Paris Agreement. Utilities carry significant clout in policymaking processes, particularly at the subnational level, and thus have a critical role to play in advancing the legislation and regulation needed to mitigate climate change.

- This report names Edison International (headquartered in California), Exelon Corporation (headquartered in Illinois), and Public Service Enterprise Company (headquartered in New Jersey) as the top three leading utilities for climate policy engagement and identifies Southern Company (headquartered in Georgia) and CenterPoint Energy (headquartered in Texas) as the laggards of the sector. Overall, while four of the 25 utilities are engaging positively with climate policy, nearly half of the 25 analyzed companies continue to demonstrate negative engagement that is misaligned with delivering the goals of the Paris Agreement.

- The analysis finds a clear correlation between the success of individual states in passing climate policy and the climate policy engagement of their largest utilities. Many states that have failed to deliver meaningful climate policy have a predominant utility with a low InfluenceMap Organization Score. Conversely, states where the largest utility is positive on climate have generally seen more success in passing climate policy.

- Based on this analysis, this report finds that at least 14 U.S. states are likely to face high levels of resistance from their largest utility in their efforts to pass climate policy. The largest utility in these states has a history of highly negative engagement and, barring a change in its positioning, may continue to obstruct climate policy going forward. These include Alabama and Georgia, where a subsidiary of Southern Company is the largest utility, as well as Ohio (American Electric Power) and Arkansas (Entergy Corporation).

- U.S. utilities participate in a number of industry associations in the U.S., including sector-specific associations like the Edison Electric Institute and cross-sector associations like the U.S. Chamber of Commerce. Several of the groups commonly representing the sector appear highly actively and negatively engaged with U.S. climate policy, raising important questions for utilities around the need to align their indirect policy engagement with the goals of the Paris Agreement. For example, executives
from both Public Service Enterprise Group and Pacific Gas & Electric Company serve on the Board of Directors for the American Gas Association (AGA). While the two companies are among the highest scoring entities for their direct support for climate policy, AGA appears to have actively opposed climate policy across the U.S.

- The U.S. power sector is not embracing the energy transition as quickly as the EU power sector. Overall, U.S. utilities are significantly underperforming when compared to EU utilities which, by contrast, make up many of the highest-scoring entities in InfluenceMap’s database. This finding correlates with the state of climate policy in the EU, which has made considerably more progress in regulating and reducing emissions from the power sector.

- U.S. utilities employ a range of tactics, from public messaging and legislative testimony to astroturfing and corruption, to achieve policy aims at every level and body of government. For example, most of the 25 utilities including sector leaders use a mixture of public messaging, testimony, and coalition-building to promote fossil gas. Several relied on direct engagement with policymakers to oppose climate provisions in the U.S. Build Back Better Act. Others have used more extreme measures like astroturfing and bribery to challenge climate policy at the state level.
Glossary

- **Climate Policy Engagement** – In 2013 the UN issued the *Guide for Responsible Corporate Engagement in Climate Policy* which describes a range of corporate activities which can be defined as engagement. These range from advertising and social media to public relations, sponsoring research, direct contact with elected officials, and participation in policy advisory committees.

- **Data Sources** – InfluenceMap’s *methodology* looks for evidence of climate policy across various data sources (D): D1 - Organizational websites; D2 - social media; D3 - CDP disclosures; D4 - Regulatory consultations; D5 - Media; D6 - CEO messaging; and D7 - Financial disclosures.

- **Investor Expectations on Corporate Climate Policy Engagement** – Various investor representatives (UN PRI, IIGCC) have set out expectations regarding how companies should manage their climate policy engagement processes, focused on broader governance and disclosure processes. InfluenceMap relies on the structure of these to assess corporate policy engagement processes and disclosures.

- **Organization Score** – Within InfluenceMap’s *scoring system*, this is a measure of an organization’s climate policy engagement and alignment with the Paris Agreement. Above 75 indicates support, below 50 increasing opposition. This applies to all organizations, both corporations and influencers.

- **Influencer** – Refers to entities funded by the corporate sector whose whole or partial function is to influence government policy. These consist of sector-specific and cross-sector industry associations, federations, advocacy nonprofits, and think tanks.

- **Relationship Score (0-100)** – Applying only to corporations, this is a measure of the aggregate of a corporation’s climate policy engagement via the influencers it has links to. It incorporates a relationship link metric which tempers the impact on the score depending on the nature of the relationship – for example, weighting a board-level membership higher than general membership.

- **Performance Band (A+ through F)** – Within InfluenceMap’s *scoring system* this is a measure of a corporation’s climate policy engagement accounting for its own and its industry associations’ activity on a scale of A through F scale (A = support, F = opposition). Applies only to corporations.

- **Engagement Intensity (EI)** – Within InfluenceMap’s *scoring system* this is a measure of the level of policy engagement (positive or negative). Above 12% indicates active engagement, while above 25% indicates highly active or strategic engagement. Below 12% indicates relatively limited engagement.

- **Utilities Sector** – The utilities sector and sub-sector, as defined by the *Global Industry Classification Standard* (GICS), includes electric utilities, gas utilities, and multi-utilities as well as water utilities and Independent Power and Renewable Electricity Producers. The latter two are excluded from this analysis, so that use of the term “utility” in this report refers to electric, gas, and multi-utilities.

- **Investor-Owned Utility (IOU)** – IOUs are for-profit corporations owned by shareholders. This report determined the 25 largest IOUs in the U.S. and excluded public utilities.

- **Federal Energy Regulatory Commission (FERC)** - FERC is a federal agency that regulates the interstate transmission of electricity, gas, and oil. Its responsibilities include reviewing interstate fossil gas pipeline and LNG terminal proposals in the United States.
Introduction

Overview of U.S. Climate Policy

The U.S. has arrived at a crossroads for climate policy. While the federal government has largely failed to deliver substantive policy to mitigate climate change, subnational governments have pursued multiple avenues for action, from municipal building codes to state-level decarbonization laws. The result is a fragmented policy landscape amid troubling trends in carbon emissions: despite hopes for a green recovery from COVID-19, national emissions increased in 2021, driven largely by a return to coal-fired power generation. The Climate Action Tracker – a collaboration of Climate Analytics and NewClimate Institute, which tracks and measures government climate action against goals of the Paris Agreement – cautions that current U.S. policies are insufficient for meeting global climate targets.

The U.S. power sector, which currently accounts for 28% of the country’s net emissions, was a starting point for early efforts to regulate greenhouse gas (GHG) emissions. Following years of legislative gridlock, President Obama and the EPA announced the landmark Clean Power Plan in August 2015, introducing the first national standards to reduce carbon pollution from power plants. Many critical Obama-era regulations including the Clean Power Plan were either challenged in court or repealed by the pursuant administration, so that the election of President Biden in November 2020 led to renewed hopes for federal climate policy in the U.S. In December 2021, Biden issued an Executive Order setting a target of 100% carbon-free electricity use by 2030, suggesting that policies to decarbonize the power sector in line with this goal would be a priority for the administration.

After President Biden announced a new National Determined Contribution (NDC) to the Paris Agreement, public attention turned to the U.S. Reconciliation Bill (Build Back Better Act) to help achieve necessary emissions reductions. The Build Back Better Act originally contained numerous provisions for climate, including the Clean Electricity Performance Program (CEPP) aimed at utilities, which failed to proceed. While that proposal remains stalled in Congress, the administration has announced new and updated regulations to reduce emissions in the oil and gas and transportation sectors. The success of many new regulations proposed in the coming years will depend on numerous factors, including the outcome of a current Supreme Court case determining whether the EPA has authority to regulate GHG emissions.

In a vacuum for concrete federal action, many states have enacted climate policies far more ambitious than those at the national level. These include policies targeting the power sector: as of March 2022, 38 of 50 states have adopted some version of a Renewable Portfolio Standard, a law requiring utilities to provide customers with a minimum share of electricity from renewable sources. Similarly, several cities and local jurisdictions have pursued ambitious policies not seen in their state legislature. For example, while no state
to date has passed an electrification ordinance, several cities – most recently New York – have passed bills to ban gas hookups in new buildings.

While subnational action is laudable, the need for new policy at all levels of government across the country has never been more urgent. An October 2021 analysis by the Rhodium Group concluded that both federal agencies and states will need to enact new climate policies “at a pace, scope, and level of ambition that has not been seen to date” in order to meet the U.S.’s Nationally Determined Contribution (NDC) to the Paris Agreement.

**Influence of the Power Sector over Climate Policy**

The U.S. power sector is highly regulated, leading companies in the sector to invest significant resources to influence policy processes in line with their business interests. Utility engagement can occur at all levels of government, allowing the companies to have a wide-reaching impact. Given that this dynamic holds true for climate policy, understanding the positions and climate policy engagement of the largest players in this sector is critical, with clear implications for the country’s success in responding to climate change.
As illustrated in the graphic above, various policymaking spheres in the U.S. all present opportunities for utility sector influence. The columns for federal, state, and sub-state jurisdictions indicate that engagement on climate policy occurs in executive, regulatory, legislative, and judicial government bodies. Utilities can therefore advocate broadly, or on specific proposals, targeting their engagement to the government channels most relevant to their aims.

While many utilities have set net zero goals to further drive down emissions in the next few decades, these operational commitments do not necessarily mean that a company’s policy influence aligns with the goals of the Paris Agreement. A February 2022 report from the International Energy Agency (IEA) concludes that even if fully realized, voluntary emissions reduction goals from investor-owned utilities (IOUs) will result in only a 2.9% decrease in overall U.S. energy emissions by 2050. The shortcomings of existing net zero pledges underscore the need for binding public policy to drive decarbonization of the sector.

Climate policy engagement by the power sector also raises important questions for consumers. Utilities often use customer payments to fund influencing activities, including direct lobbying and industry association dues. This is particularly noteworthy in states with a highly dominant utility: here, utilities can lobby without the risk of negative consequences, such as a boycott, from their customers.

The U.S. power sector appears highly divided in its positions on climate policy. Any shift in utility behavior – both towards more positive engagement and away from negative engagement – could have sweeping effects on climate policy debates across the country, at all levels of government.

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1 Division in the U.S. power sector is evident in the fact that U.S. utilities featured in both InfluenceMap's 2021 A-list of Climate Policy Engagement and Carbon Policy Footprint reports, identifying the most positive and negative companies, globally, on climate policy.
About Corporate Policy Influence

Climate Change and Corporate Influence

The IPCC’s October 2018 Special Report on Global Warming of 1.5°C laid out the urgency to act on climate change and the impacts associated with global warming in excess of 1.5°C. In May 2021, the International Energy Agency (IEA) reiterated these findings in its ‘Net Zero by 2050’ report. Strikingly, the IEA recommended no new coal, oil, or fossil gas fields beyond those already committed to from 2021. Later, in April 2022, the new IPCC report laid out in no uncertain terms the need to phase out fossil fuel extraction and combustion and immediately cease construction of new fossil fuel infrastructure in order to prevent an “unlivable world.” Both the IEA and IPCC have stressed the need for decisive policy interventions by governments around the world to drive the energy transition and lower greenhouse gas emissions. Despite this urgent, science-based guidance, the policy plans of the world’s governments remain misaligned from global climate goals. According to the International Energy Agency’s Net Zero by 2050 report, under current policies globally, we are on track for +2.7°C of warming by 2100 (with 50% probability).

A key reason for this gap in ambition is both historical and ongoing opposition on a global scale by corporate vested interests. Details of this narrative are contained in InfluenceMap’s corporate policy engagement online report. In 2015, InfluenceMap developed the world’s only platform analyzing corporate engagement on climate policy to bring clarity to the issue of corporate influence. InfluenceMap’s analysis and metrics inform the global institutional investor community including the Climate Action 100+ (CA100+) investor engagement process, representing 540 investors with over $52 trillion in assets collectively under management.

Methodology to Assess Corporate Policy Influence

To define policy engagement, InfluenceMap relies on the 2013 UN Guide for Responsible Corporate Engagement in Climate Policy, which lists a number of activities that constitute corporate climate policy engagement. These range from advertising, social media, public relations, sponsoring research, direct contact with regulators and elected officials, funding of campaigns and political parties, and participation in policy advisory committees. Given that corporate lobbying disclosures generally exclude most of the activities covered in the UN Guide, providing a narrow view of a company’s influence, InfluenceMap’s methodology uses a range of data sources to capture the policy outcomes sought by companies.

While InfluenceMap’s system is unable to capture all information on corporate influence due to disclosure/data limitations, there is sufficient data to generate behavioral metrics on climate policy positions and the intensity of lobbying efforts. It is accepted that there are also a range of “unknown”
lobbying activities underway and assumed that these are motivated by the same policy outcomes associated with the known activities, as in the “tip of the iceberg.”

InfluenceMap’s platform also covers over 150 industry associations engaged on climate-related policy. It assesses their climate lobbying activities, as well as the links between them and the 350 corporate entities likewise assessed under the platform, providing a direct point of comparison between what companies are communicating on climate policy (their Organization Score) and the detailed lobbying activities of their industry associations (their Relationship Score).

In 2017, InfluenceMap introduced the concept of a corporation’s Carbon Policy Footprint (or Scope 4 Emissions), a metric to be considered alongside its physical scope 1, 2 and 3 emissions (direct, supply chain, and product emissions, respectively). The methodology for scoring and ranking companies and industry associations based on their Carbon Policy Footprint is available here. It produces three metrics:

- The **Organization Score** (0 to 100) indicates how supportive or opposed a company is towards climate policy aligned with the Paris Agreement.
- The **Engagement Intensity** (0 to 100) indicates the intensity of this engagement activity, whether supportive or oppositional to climate policy.
- The **Relationship Score** (0 to 100) measures how supportive or opposed the aggregate of a company’s industry associations are toward climate policy aligned with the Paris Agreement.

The Organization Score and Relationship Score combine to form the **Performance Band (A to F)**, which represents the full measure of a company’s direct and indirect engagement with climate policy.

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[The current scope of InfluenceMap’s policy analysis is expansive, covering virtually all forms of climate policy impacting the energy, industrial, and other sectors. However, we do not yet cover land-use related policy, or climate-relevant policy designed to aid the transition to a circular economy. We are working to expand analysis into both these areas and intend to include them in future reports.]
This report analyzes the 25 largest publicly listed utilities in the U.S., covering over 80% of the total market cap of IOUs. It lays out how these utilities are influencing U.S. federal and state climate policy against established benchmarks for climate policy engagement, helping to identify the leaders and laggards in the sector, as well as its links to major U.S. industry associations and other influencers.

In line with InfluenceMap’s established methodology, this report searched for evidence of climate policy engagement across virtually all forms of climate policy, using all available public data sources and logging around 4,000 pieces of evidence related to climate policy engagement (see Glossary) for these 25 utilities and their industry associations. This includes data sources covering company engagement with climate policy at the state-level, utilizing in-depth searches for primary data in state legislature websites, Public Utilities Commissions, and other sources beyond the federal level to ensure robust coverage and analysis.
Analysis of the U.S. Power Sector

Ranking the US Power Sector

The largest 25 utilities in the U.S. show a broad spectrum of engagement with U.S. climate policy. All 25 companies are plotted on the graph below, with numbers corresponding to their placement on the ranking table on the following page. The X axis plots the Organization Score of the utilities from left (negative) to right (positive), while the Y axis indicates Engagement Intensity, a measure of how actively an entity is engaged with climate policy, regardless of its positions. While a small number of utilities are engaging increasingly positively, earning high Organization Scores, the largest grouping of companies continues to hold negative positions.

US Utility Engagement with Climate Policy

As evident in the graph above, the largest concentration of the 25 assessed utilities, 11 of the 25, have low Organization Scores. Many of these companies also fall higher on the Y Axis for Engagement Intensity, thus pairing their negative engagement with strategic levels of activity. Only four of the companies score at 75% or above, while 10 of the 25 companies show mixed engagement. The table below shows the ranking of these utilities as of March 2022. The Organization Score includes engagement by the parent company’s subsidiaries.
■ Utility leaders in climate policy engagement include Edison International, Exelon, Public Service Enterprise Group, and Pacific Gas and Electric Company, as featured at the top of the list below. These companies have engaged positively with a range of climate policies at the federal and state level. While their direct engagement is positive, as evident in their Organization Scores, several of these companies continue to support powerful industry associations with highly negative climate policy engagement, contrasting with their own positive views. This misalignment issue is overviewed in greater detail in the U.S. Power Sector Influencers section below.

■ Laggards in climate policy engagement have Organization Scores below 50% and include CenterPoint Energy, Southern Company, and FirstEnergy Corporation. Unlike their peers, these utilities have opposed climate-related policies and/or supported anti-climate measures in recent years. For example, in 2021, CenterPoint and Southern supported state anti-electrification bills preempting municipal gas bans in Texas and Georgia, respectively.

■ 10 of the analyzed utilities demonstrate mixed engagement with climate policy. Mid-range Organization Scores between 50% and 75% suggest that these utilities support certain measures, such as transportation electrification, while opposing others, such as building electrification, or that they hold primarily mixed positions that are neither wholly positive nor entirely negative.

<table>
<thead>
<tr>
<th>Parent Company</th>
<th>Headquarter State</th>
<th>Market Cap (as of February 2022)</th>
<th>Organization Score</th>
<th>Engagement Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Edison International</td>
<td>California</td>
<td>23,520,120,129</td>
<td>80%</td>
<td>45%</td>
</tr>
<tr>
<td>2. Exelon</td>
<td>Illinois</td>
<td>41,930,700,351</td>
<td>78%</td>
<td>55%</td>
</tr>
<tr>
<td>3. Public Service Enterprise Group (PSEG)</td>
<td>New Jersey</td>
<td>34,021,051,852</td>
<td>77%</td>
<td>55%</td>
</tr>
<tr>
<td>4. Pacific Gas &amp; Electric Corporation (PG&amp;E)</td>
<td>California</td>
<td>24,320,772,712</td>
<td>77%</td>
<td>59%</td>
</tr>
<tr>
<td>Rank</td>
<td>Company</td>
<td>State</td>
<td>Revenue</td>
<td>Cost Share</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------</td>
<td>-------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>5</td>
<td>Consolidated Edison</td>
<td>New York</td>
<td>30,829,202,342</td>
<td>72%</td>
</tr>
<tr>
<td>6</td>
<td>Avangrid</td>
<td>Connecticut</td>
<td>18,024,372,082</td>
<td>66%</td>
</tr>
<tr>
<td>7</td>
<td>AES Corporation (AES)</td>
<td>Virginia</td>
<td>14,874,385,525</td>
<td>63%</td>
</tr>
<tr>
<td>8</td>
<td>NextEra Energy</td>
<td>Florida</td>
<td>152,516,916,317</td>
<td>62%</td>
</tr>
<tr>
<td>9</td>
<td>CMS Energy</td>
<td>Michigan</td>
<td>18,531,941,974</td>
<td>59%</td>
</tr>
<tr>
<td>10</td>
<td>Eversource Energy</td>
<td>Massachusetts</td>
<td>30,488,699,408</td>
<td>59%</td>
</tr>
<tr>
<td>11</td>
<td>Dominion Energy</td>
<td>Virginia</td>
<td>65,869,200,000</td>
<td>55%</td>
</tr>
<tr>
<td>12</td>
<td>DTE Energy</td>
<td>Michigan</td>
<td>23,291,830,634</td>
<td>55%</td>
</tr>
<tr>
<td>13</td>
<td>Alliant Energy</td>
<td>Wisconsin</td>
<td>14,986,596,710</td>
<td>55%</td>
</tr>
<tr>
<td>14</td>
<td>Xcel Energy</td>
<td>Minnesota</td>
<td>37,486,432,916</td>
<td>54%</td>
</tr>
<tr>
<td>15</td>
<td>Entergy Corporation</td>
<td>Louisiana</td>
<td>22,511,915,189</td>
<td>49%</td>
</tr>
<tr>
<td>16</td>
<td>PPL Corporation</td>
<td>Pennsylvania</td>
<td>22,303,769,448</td>
<td>49%</td>
</tr>
</tbody>
</table>
Utilities and Outsized State-Level Influence

As state policymakers consider various pathways to decarbonize the sector, the largest utility/s in that state have significant leverage in speaking for their industry and influencing those policies. While utilities are not the only source of corporate influence in any state, InfluenceMap analysis shows a clear correlation between states that have a strong presence of utilities that are mixed or negative in their climate policy engagement, and those that have failed to deliver meaningful climate policy to reduce emissions in the power sector.
To conduct this analysis, InfluenceMap considered the 42 states\(^3\) where the 25 utilities in this report have demonstrated a lobbying presence to determine a) what the largest utility is in that state, and b) what level of advantage or disadvantage that state might face in passing climate policy, based on how its largest utility performs on climate policy engagement. The analysis found that:

- **At least 14 states are likely to face high resistance in their efforts to pass climate policy.** In Alabama, Arkansas, Georgia, Indiana, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Ohio, Texas, West Virginia, and Wisconsin, the largest utility lobbies negatively on climate policy, with Organization Scores under 50%. These states are at a high risk of climate policy obstruction by their largest utilities.

- **At least 11 states are likely to face some resistance to ambitious climate policy targeting the power sector.** In Colorado, Connecticut, Florida, Maine, Massachusetts, Michigan, Minnesota, New Hampshire, New York, South Carolina, and Virginia, the largest utility demonstrates mixed positions on climate, with Organization Scores between 50% and 75%.

- **11 states are likely to face mixed influence in their efforts to pass climate policy.** InfluenceMap does not assess the largest utility in all of these states, but all of them—Oklahoma, Tennessee, Hawaii, Idaho, Iowa, New Mexico, North Dakota, Oregon, South Dakota, Utah, and Wyoming—host a range of other utilities assessed in this report which hold a variety of climate policy positions.

- **6 states could have an advantage in passing climate policy.** In California, Delaware, Illinois, Maryland, New Jersey, and Pennsylvania, the largest utility is a sector leader with an Organization Score over 75% and an Engagement Intensity above 40%, indicating highly strategic support for climate policy. However, in some cases, these utility leaders have demonstrated more negative engagement at the state level than they have at the federal level. For example, Exelon’s subsidiaries in Maryland have strongly opposed recent building electrification legislation.

These findings strongly correlate with the status of climate policy across the country. The two heat maps below illustrate the strong correlation between the strength of existing state-level climate policy and risk of climate policy obstruction.

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1. 8 states were not considered in this analysis, as InfluenceMap has not detected climate policy lobbying in those states by the utilities in this report. These states are Alaska, Washington, Montana, Nebraska, Arizona, Nevada, Rhode Island, and Vermont. The U.S. subsidiary of National Grid is the largest utility in Rhode Island and engages there on climate policy, but is not included in the above analysis.
In comparing these two datasets, it appears that the states with large, negatively engaging utilities are significantly less likely to pass climate policy: many of the states with the lightest shading in the first map (lack of major climate policy) are the same as those shaded darkest in the second map (highly negative influence).

These findings can be understood on a case-by-case basis. For example:

- **Of the 14 states deemed likely to face “high resistance” in passing climate policy**, nine are shaded in the lightest shade of blue to indicate low occurrence of enacted climate policies. These nine states have not made progress on climate policy. Of the additional five, Ohio, Texas, and Wisconsin have made limited progress on climate policy, while Louisiana recently finalized a 2022 Climate Action Plan, and North Carolina adopted a 2021 decarbonization law, although it is important to note that these policies lack ambition in their emissions reductions timelines.

- **Of the 11 states deemed likely to face “some resistance” to climate policy**, six are shaded in the second and third lightest shades of blue to indicate limited to some progress on climate policy. For example, Florida has several coastal resilience policies but no Renewable Portfolio Standard, while both Maine and Virginia passed decarbonization laws in 2019 and 2020, respectively. Exceptions include Massachusetts and New York, which have been making significant progress on climate action, despite InfluenceMap detecting some resistance to ambitious climate policy in these states from their largest utilities Eversource and Consolidated Edison, respectively. InfluenceMap assessment of these companies shows that they have mixed engagement overall, supporting some forms of climate policy while opposing others.

- **Of the 11 states likely to face “mixed resistance” to climate policy**, eight appear in the two lightest shades of blue to indicate limited progress on climate policy. These states have not made significant progress on climate policy, and InfluenceMap assessment of utility lobbying presence suggests that these states may be facing more negative positions from utilities than mixed or positive ones. The other three states – Hawaii, New Mexico, and Oregon – have made significant progress on climate policy in recent years but still encounter mixed positions from utilities.

- **Of the six states likely to have an advantage in passing climate policy**, three are shaded in the darkest shades of blue to indicate significant progress on climate policy. These states are Maryland, New Jersey, and California, the latter of which has long been recognized as a leader in climate policy action and whose largest utility, a subsidiary of Edison International, has demonstrated strong positive engagement on its decarbonization targets. The other three states, shaded in middle blues, have made progress in recent years.
While this analysis recognizes climate policy progress and leadership in some states compared to a lack of policy action in others, all U.S. states will need to pass stringent climate policy at a level of ambition not yet seen in order for the country to meet the U.S.'s 2030 climate targets. Reforming utility engagement with climate policy could go a long way to advancing the state-level action that is urgently needed.

**U.S. Power Sector Influencers**

InfluenceMap assesses roughly 150 industry associations globally, all of which are assessed using the same methodology as companies. InfluenceMap’s database also links assessed companies to the industry associations where they are a member. Industry associations often speak for large portions of the corporate sector, granting them significant clout in the policymaking process.

U.S. utilities belong to a range of industry associations and advocacy groups in the U.S., including sector-specific associations like the Edison Electric Institute (EEI) and cross-sector associations like the U.S. Chamber of Commerce (the Chamber). This section examines industry links to 501(c)6 industry associations, such as EEI and the Chamber, as well as 501(c)3 and 501(c)4 nonprofits such as the American Legislative Exchange Council (ALEC). Utilities company tactics involving ‘astroturfing’ and informal ‘front groups’ to influence climate policy are assessed in the following section.

Many of these groups – both nonprofits and industry associations – are highly active on U.S. climate policy at both the federal and state level. The graph below plots the same 25 utilities alongside the industry associations and nonprofits that represent them. The X axis indicates the Organization Score of each entity, so that groups on the right are more positive on climate policy than those on the left. The Y axis represents Engagement Intensity. Influencers and companies are assessed in the same way, so that Organization Score and Engagement Intensity can be compared across different types of organizations.

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*The American Clean Power Association is excluded from this analysis given that it succeeded the American Wind Energy Association in early 2021 and only recently merged with the Energy Storage Association. InfluenceMap is tracking the development of the group’s policy engagement going forward.*
As evident above, U.S. utilities are generally more positive on climate than many of the major associations that represent them. The concentration of industry associations with low Organization Scores and high Engagement Intensity, at the upper left of the graph, indicates a potential governance risk: a company might have mixed or contradictory messaging on business-critical policy, with direct communications at odds with the advocacy of the third-party groups that represent them.

■ The issue of industry association alignment is a priority on the investor agenda. Several investor-representative groups (e.g. PRI, IIGCC, and CERES) have formalized sets of expectations regarding how companies should manage their climate policy engagement processes. On March 14th, 2022, a global group of major investors and investor networks such as BNP Paribas Asset Management, AP7, and ICCR launched the Global Standard on Responsible Climate Lobbying. In addition to requiring companies to adopt Paris-aligned climate lobbying positions, these expectations ask that companies implement enhanced governance and disclosure processes to ensure industry association alignment with these positions.

■ In addition, “Align” forms the second pillar of the AAA Framework for Climate Policy Leadership, launched by 11 NGOS including Environmental Defense Fund, Ceres, Union of Concerned Scientists, and others in 2019.
The U.S. Power Sector and Climate Policy, April 2022

The issue of third party influence among utilities has been acknowledged by the Federal Energy Regulatory Commission (FERC), which opened a docket in December 2021 to examine the need for transparency and accountability in political spending, including dues paid to industry associations, as well as any changes “to ensure those expenditures are properly accounted for and recovered in rates.”

The following table provides details of climate policy engagement for the industry associations that appear on the graph above. Columns 2, 3, and 4 highlight how positively or negatively the group engages with policy, how actively it is engaged, and which companies are linked, respectively.

<table>
<thead>
<tr>
<th>Industry Association: Details of Engagement</th>
<th>Organization Score</th>
<th>Engagement Intensity</th>
<th>Utility Members</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The U.S. Chamber of Commerce</strong> engages highly negatively and actively on US climate policy. Its approach has not materially changed over the last five years, despite shifts in top-line messaging. Notably, it scores lower than the American Gas Association (below). The Chamber's 2021 position statement endorses a market-based approach to emissions reductions but stops short of supporting IPCC-recommended emissions reductions. It strongly critiqued the climate provisions in the Build Back Better Act in September 2021, arguing they don’t represent “durable climate policy,” it also broadly attacked the entire bill due to its tax increases.</td>
<td>28%</td>
<td>36%</td>
<td>AEP, Avangrid, Dominion, Duke, DTE, Entergy, Exelon, FirstEnergy, NextEra, Sempra, Southern</td>
</tr>
</tbody>
</table>
The Edison Electric Institute (EEI) lobbies with mixed positions on US climate policy. In July 2021, EEI commented on the need for a federal Clean Energy Standard to include fossil gas. However, in February 2022, EEI met with lawmakers to advocate in support of the clean energy tax credits in the Build Back Better Act.

The American Gas Association (AGA) demonstrates highly negative engagement with U.S. federal and state climate policy. In September 2021, AGA sent a joint letter to policymakers requesting they weaken or eliminate the proposed methane fee in Build Back Better. AGA has been active on gas ban preemption bills, including directly engaged with policymakers to draft Pennsylvania Senate Bill 275. In February 2022, AGA released a report supporting the role of fossil gas infrastructure in the transition to net zero.

Advanced Energy Economy (AEE) lobbies actively at the federal level and across the states for numerous strands of climate and energy transition policy, such as renewable portfolio standards and clean technology incentives. It strongly supported the need for stringent climate policy measures in the 2021 infrastructure packages.

The National Association of Manufacturers (NAM) is engaging actively and negatively with multiple forms of US climate policy while strongly supporting the ongoing role of fossil fuels in the US economy. The NAM fought the Build Back Better Act over the course of congressional negotiations, largely due to its corporate tax increases. It also commented on the EPA’s proposed methane regulations in January 2022 with major caveats, including the need for maximum state flexibility in standard-setting and compliance.
The American Petroleum Institute (API) is broadly hostile to US policy, with highly active engagement. In February 2022, AGA addressed a letter to President Biden and federal policymakers supporting domestic fossil gas infrastructure in response to the Russia-Ukraine crisis. The API opposed climate provisions in the Build Back Better Act, particularly the methane fee in September 2021, and in its comments on the EPA’s proposed methane regulations in January 2022, it attempted to weaken multiple parts of the proposal.

Some utilities may also be linked to and 501(c)3 or 501(c)4 non-profits like the American Legislative Exchange Council (ALEC) and Consumer Energy Alliance (CEA).

- ALEC (Organization Score 29%) designs model legislation to challenge climate-related policy and/or block climate-related action at the state level. These bills are often introduced by state legislators linked to ALEC. For example, starting in 2016, ALEC appeared to advance model 'critical infrastructure' bills to penalize protestors against fossil fuel infrastructure starting. These bills are still emerging in various states in 2022. It also appeared connected to "anti-ESG" bills in February 2021 which, among other aims, can bar state officials considering climate change in their investments. It is unclear if Duke Energy is still a member of ALEC, having attended its annual meeting in 2019 but with no record of registration in 2020-21.

- CEA (Organization Score 29%) is actively engaged in opposition to federal and state climate policy. The group often testifies at the state level, registering in support of Florida House Bill 741 – a bill which would weaken net metering incentives – in February 2022, for example. Dominion, NextEra, and Southern all appear to be members of the CEA.

Comparing the US and European Power Sectors

As part of its global LobbyMap database, InfluenceMap assesses companies around the world, largely in North America, Europe, Australia, and Japan (based on data availability). As such, InfluenceMap has assessed utilities in other regions in the same manner that it has assessed the U.S. utilities highlighted in this report.
A notable distinction appears when comparing Europe and U.S.-based utilities: in general, the EU power sector performs significantly better than the U.S. power sector. European utilities form many of the highest-scoring entities in InfluenceMap’s system – for example, dominating InfluenceMap’s 2021 A-List of Climate Policy Report – which cannot be said of U.S. utilities.

As evident in the plot above, far more Europe-based utilities achieve an Organization Score 75% and above, and only one scores under 50%, a stark contrast with the U.S. In both regions, the sector is highly active on climate policy, with Engagement Intensity scores on the Y Axis reflecting strategic levels of policy engagement.

Some EU and UK-based utilities, such as National Grid and Iberdrola, have active subsidiaries that take more negative positions in the U.S.:

- **National Grid**, a UK-based company with an Organization Score of 66%, is mostly supportive of climate policy in Europe. It supported the EU’s 2030 GHG emission reduction target in 2021 and the UK government’s ‘Ten Point Plan’ for decarbonization in December 2020. However, National Grid USA appears far more active in the U.S. than its counterpart in the U.K., with more mixed engagement. National Grid USA supported Rhode Island’s 2021 Act on Climate Bill, containing a mandate to decarbonize the state economy by 2050 with interim GHG emissions reduction targets. However, in its headquarter state of Massachusetts, National Grid USA repeatedly opposed the landmark 2021...
legislation “An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy.” National Grid appears more positive federally, having supported the climate provisions in the Build Back Better Act and jointly filing a legal brief asking the Supreme Court to uphold the authority of the EPA to regulate GHG emissions.

Iberdrola, which has an Organization Score of 81%, demonstrates active support for climate policies in the EU and has advocated for ambitious reforms to various policy measures, including supporting a carbon price floor in the EU Emissions Trading System in November 2020 and recommending a 100% electric vehicle sales quota in February 2021 by 2030-2035. However, the company’s U.S. subsidiary Avangrid has a lower Organization Score of 66% and appears to have more mixed positions. Although the utility states support for New England state decarbonization goals and has advocated in March 2021 for the region’s Transportation and Climate Initiative emissions trading program, it has promoted the long-term role of fossil gas, including in its March 2022 proposal submitted to the Massachusetts Future of Gas regulatory proceeding.

This trend is equally evident in the power sector industry associations. Eurelectric, the association formed to represent EU utilities, has an Organization Score of 74% – similar to many of its member companies – while its counterpart in the US, EEI, scores 55%. Both of these groups appear on the graph above for reference. While both groups’ engagement with climate policy has improved over the last five years, Eurelectric’s has improved more dramatically: its Organization Score in 2017 was 52%, rising steadily over the following years to jump 22% by early 2022. By contrast, EEI’s Organization score rose from 38% in 2017, an 18% increase by early 2022.
Policy Engagement Strategies

Trends in Policy Engagement

Utilities in the U.S. engage at every level and body of government, on policies ranging from carbon taxes to rooftop solar. This section summarizes trends in how utilities engage on different types of policies, noting where many of the companies align and where the leaders and laggards diverge.

It is notable that utilities often present a united front on some climate policies, particularly via joint advocacy and coalitions, while taking divergent positions on others. The California utilities – leaders Edison International and PG&E, and laggard Sempra through its subsidiaries – offer one example of this behavior. Although these three companies have jointly advocated for federal energy efficiency standards and weaker financial incentives for rooftop solar, they present contrasting positions on electrification and the phase-out of fossil gasses.

The U.S. Build Back Better Act and the Clean Electricity Performance Program

Utility engagement on the climate provisions of the federal Build Back Better Act, which is entering its second year of negotiation, can been characterized by a broad preference for incentives over regulations. This pattern is evident by the contrast between consistent utility support for the proposed clean energy tax credits, which appear to still be in consideration, and strong opposition to ambitious penalty-based proposals. For example, several utilities pushed back against the Clean Electricity Performance Program – which would have financially rewarded or penalized utilities according to how they met or missed annual targets for clean electricity – and the methane fee, both of which were ultimately cut from the bill.

- The majority of the utilities addressed in this report, including the leaders and the laggards, have articulated support for the proposed clean energy tax credits in the Build Back Better Act, including via direct advocacy to President Biden and Congressional leadership. A February 2022 report by Rhodium Group and the Energy Policy Institute at the University of Chicago found that the benefits of these tax credits greatly outweigh the costs, and that their implementation would lead to a 64-73% reduction in power sector emissions from 2005 levels by 2031.

- Notable negative engagement includes American Electric Power Company’s persistent advocacy against the CEPP, and CenterPoint Energy’s opposition to the methane fee.

- Two utilities, namely Exelon and PSEG, stood out for their support for the CEPP while most other peers offered neutral statements acknowledging the CEPP without endorsing it. For example, both DTE Energy and Southern Company declined to comment on the CEPP in September 2021. In October 2021
during CEPP negotiations, a group of six utilities *met privately* with Senator Manchin, including American Electric Power Company, DTE Energy, Duke Energy, Exelon, PSEG, and Southern Company, though the contents of that meeting are unknown.

- There was no public evidence of engagement on these federal negotiations for only a few utilities: Evergy, Eversource, and Sempra. FirstEnergy and PPL disclosed engagement in their federal lobbying reports without stating a position.

**Energy Mix and the Regulation of GHG Emissions**

InfluenceMap uses benchmarks based on the IPCC’s 2018 Special Report on 1.5°C to assess corporate engagement with policy related to the transition of the energy mix. Applying these benchmarks to the power sector, InfluenceMap finds that most utilities follow a strong pattern of advocating for the long-term role of unabated fossil gas at all levels of government and, in some cases, opposing governmental interventions to retire coal in the energy mix.  

Utilities have disclosed a range of positions on President Biden’s target to decarbonize the power sector by 2035. Although utility leaders including Consolidated Edison, Edison International, and PSEG have expressed support for the target, equally influential laggards have stressed the feasibility and affordability of these targets.

The following offers examples and details of utility engagement with specific fuel types, such as coal and fossil gas:

- AES subsidiaries AES Hawaii and AES Ohio, AEP subsidiary AEP Ohio, and Duke have recently engaged directly at the state level to delay the phase out of coal, including in Hawaii and Ohio. Southern Company in particular, which operates in several southern states, has *stated opposition* to government regulation of coal.

- Most of the utilities in this report have advocated to promote fossil gas in municipal, state, and federal policies across all regions of the United States. Utilities continue to portray fossil gas in a favorable light, framing it as a *clean and cost-effective* bridge fuel and a responsible and necessary fuel source toward achieving a net zero emissions economy. Arguments opposing the IPCC-recommended phase-out of fossil gas come from utilities themselves, who may be working to preserve gas as a

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5 Utilities have also demonstrated recent engagement on expanding the use of hydrogen and “renewable natural gas” in meeting decarbonization targets across power, transportation, and building sectors. There has been a marked uptick in utility support for pivoting to hydrogen and biogases with limited or no conditions on fuel blending, methane abatement, or carbon capture and storage (CCS). Support for these “low-carbon gasses” could represent a strategy to moderate the pace of decarbonization and to reinforce existing fossil fuel infrastructure. Utility engagement on the introduction of different types of hydrogen – especially hydrogen sourced from fossil fuels – and other fuels such as biogas and “renewable natural gas” (RNG) into the energy mix is an important area of ongoing analysis. Utilities have also exerted indirect influence via memberships to hydrogen and RNG groups not yet analyzed by InfluenceMap.
generation source in the power sector, as well as the companies’ gas distribution subsidiaries. Examples of the latter include the gas distribution subsidiaries of Eversource in New England, Sempra in California, Duke in North Carolina, Dominion in Ohio, and CenterPoint in Texas.

Utilities display a similar pattern of engagement on ambitious GHG emissions standards for the power sector, with clear support coming from leaders Consolidated Edison, Exelon, and PG&E. Utility laggards, including CenterPoint Energy, Southern Company, and American Electric Power, are distinguished by their negative positions on GHG emissions regulations, chief among them their opposition to being regulated at all. Common arguments to oppose GHG emissions standards include a preference for legislation and market-based incentives over regulation, advocating for “inside the fence” measures, and emphasizing state flexibility in implementation.

Utilities that have advocated to the EPA in 2019 to oppose the removal of methane regulations include companies that have not fully supported the transition away from fossil gas, namely Entergy, Dominion, PG&E, and PSEG.

Electrification and Fossil Fuel Ban Preemption

In the area of building electrification, a clear divide emerges between utilities that support building electrification measures, and utilities that actively oppose them and/or seek to preempt them.

While California utilities Edison International and PG&E and New York’s Consolidated Edison have directly advocated for building electrification codes and policies, a significant number of utilities have demonstrated strategic negative engagement in this area.

A notable example is Sempra subsidiary SoCalGas, which in contrast to its California peers has been directly opposing electrification efforts in California state rulemakings and city- and county-level proposals.

In Minnesota, CenterPoint Energy has likewise directly advocated to policymakers in Minnesota to oppose building electrification in favor of “hybrid heating systems.”

In July 2019, the city of Berkeley, California became the first city to enact an ordinance that prohibits fossil gas in new buildings. Berkeley was the first among a growing city-led electrification movement in California, the Pacific Northwest, and Massachusetts. In response, state-level bills aimed at preempting these gas bans were introduced and passed into law in rapid succession. 20 states as of early February 2022 have adopted state-level preemption laws and at least an additional 7 states have introduced or re-introduced similar bills. In effect, these state laws block any easy path for sub-jurisdictions to pursue fossil fuel phase-outs on their own.
The American Gas Association (AGA) appears to have played a leading role advancing a preemption strategy since at least December 2019. Utilities have also demonstrated direct involvement beginning in early 2020 in introducing and supporting these gas ban preemption bills in nearly every region of the United States.

Although there is evidence of multiple utilities participating in trainings and coalitions on gas ban preemption, the following companies have demonstrated particularly notable engagement:

- CenterPoint Energy supported the gas ban preemption bills in Oklahoma, Louisiana, Texas, and Indiana, all of which were signed into law in the past two years.

- Dominion corresponded with utilities and industry associations in February 2020 to build support for Ohio gas ban preemption legislation, which passed in the form of House Bill 201 in June 2021. Dominion also reportedly asked a Utah state representative to introduce a gas ban preemption bill in Utah. Utah House Bill 0017 was signed into law in February 2021.

- Duke Energy supported the Tennessee gas ban preemption bill, which passed, and also appeared to indicate support for the preemption bill in North Carolina that was recently vetoed by Governor Roy Cooper.

Rooftop Solar Incentives

To varying degrees, utilities demonstrate mixed engagement with renewable energy legislation by advocating for utility-scale renewable energy deployment, while using a “cost shift” argument to support policies that weaken incentives for distributed energy and community solar. Both utility leaders and laggards have lobbied to disincentivize distributed and community solar in all regions of the United States, with evidence of mixed or negative engagement in at least twenty states.

For example, Edison International subsidiary Southern California Edison, PG&E, and Sempra subsidiary SDG&E have been using the cost shift argument in advocating to the California PUC to weaken the incentives for rooftop solar in the state, stating that the existing net metering system unfairly subsidizes rooftop solar owners to the detriment of those customers without solar. Consolidated Edison, on the other hand, appears to be supportive of distributed solar targets in New York.

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6 This report does not address engagement on recent federal and regional transmission policies, which have been undergoing rapid changes over the past year and will be analyzed at a later date.
Carbon Pricing

Utility leaders Exelon and PSEG have consistently advocated for setting a federal price on carbon. Notably, Exelon has directly advocated to FERC condemning conversations on carbon pricing that do not initiate concrete policy action.

Other utilities have joined Exelon and PSEG in advocating for a carbon price with the CEO Climate Dialogue, including Dominion, DTE, and PG&E. The remaining utilities have expressed either mixed support, opposition, or no position at all.

- Dominion has been vocal about its opposition to Virginia’s participation in the Regional Greenhouse Gas Initiative (RGGI), which is a market-based emissions trading scheme among 11 participating East Coast states to reduce emissions from the power sector. Utility leaders Consolidated Edison, Exelon, NextEra, and PSEG have been supportive of RGGI.

- PG&E and Sempra subsidiary SDG&E have advocated for fossil gas allowances and low price ceilings in the California cap-and-trade program.

- Avangrid, Eversource, and Exelon have advocated in support of the Transportation and Climate Initiative, a program among a collection of Northeast and Mid-Atlantic states to reduce carbon emissions from the transportation sector.

Transportation-Related Policy

All the utilities in this report have advocated to some degree for transport electrification and have been supportive of investments in electric fleet deployment and EV infrastructure buildout. Many utilities are also members of groups advocating for transport electrification policies.

Examples of positive engagement on transport include:

- Broad utility support for the California waiver, which allows states to set stricter vehicle emissions standards than those set at the federal level. These utilities include AES, Alliant, Consolidated Edison, Dominion, Duke, Entergy, Evergy, PPL subsidiaries, National Grid, NextEra, and Xcel.

- Leaders Exelon and Edison International have advocated for ambitious federal fuel economy standards.

Even though they may be members of pro-electrification associations and coalitions, a few utilities have also promoted policies to incentivize alternative, fossil-fuel based vehicle technology using fossil gas.

- CMS Energy’s federal lobbying disclosures show that the company is lobbying Congress to support the “development of the natural gas vehicle market.” This lobbying activity could be linked to its subsidiary Consumers Energy, a combination electric and natural gas utility. At the same time, Consumers Energy
supported EV tax credits in the Build Back Better Act and has advocated for more ambitious EV policies.

- In California, leader PG&E has joined Sempra in questioning the feasibility of state EV targets and promoting “low-carbon” gases in the transportation sector.

### Tactics in Policy Engagement

U.S. utilities have used a range of tactics to exert their influence on climate policies, on a spectrum of high-level public messaging to outright corruption. Evidence of these tactics, when used against ambitious climate policies, showcase that companies can publicly signal one, usually more positive, position while engaging in more subversive behavior to advocate for another, usually more negative, outcome in their service areas.

The range of utility influence tactics include:

- **Public communications**: These can include position papers and corporate blogs, as well as press releases, especially with CEO statements. One positive example includes PSEG’s CEO advocating in a November 2021 press release for ambitious climate policy during COP26 negotiations.

- **Engagement with policymakers**: Policymaker engagement can include witness testimony in committee hearings; submitted comments on proposed rulemaking; individual or joint letters to legislators and regulators; and private meetings. For example, several utilities signed onto a February 2022 open letter advocating for Congressional leadership to support the climate provisions in the Build Back Better Act.

- **Coalitions and advocacy groups**: Coalitions have two main advantages: they present an aggregate influence when advocating to policymakers and they create a space in which members can coordinate strategies for engagement. Examples, both positive and negative, include:
  - In December 2021, Edison Electric Institute announced the formation of the National Electric Highway Coalition (NEHC), which merged several existing electric transport alliances and aims to provide EV charging infrastructure along major U.S. travel corridors by the end of 2023. The NEHC includes all of the utilities in this report except for AES Corporation.

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Footnote: InfluenceMap captures publicly available evidence of direct advocacy. This report does not capture private discussions among utilities, or between utilities and policymakers, beyond what has been disclosed by the companies or covered by media reports. Additional information not initially public may be obtained through FOIA requests.
In 2019, Edison Electric Institute held a training camp on how to run campaigns against clean energy issues, including fossil gas bans, net metering, and renewable energy portfolio standards. The event was attended by representatives from utilities including Alliant, Consolidated Edison, Dominion, Duke, DTE, Entergy, Evergy, National Grid, NextEra Energy, PG&E, PPL, and Xcel.

Active since at least November 2020, the Energy Solutions Center has been described by Eversource Energy as an anti-electrification consortium and appears to focus on developing “energy choice” strategic messaging. Its members have been documented to include utility leader Exelon, Eversource, and laggards DTE Energy and Sempra subsidiary SoCalGas.

According to the Los Angeles Times in November 2020, Dominion Energy and Sempra are members of the Western States and Tribal Nations advocacy group, which promotes fossil fuel projects in the western U.S. and Mexico.

Legal action: Utility use of legal action seems to fall into two clear camps, with positive engagement demonstrated by utility leaders supporting climate policy and negative engagement demonstrated by utility laggards taking, or threatening to take, legal action to deter a proposed outcome.

- In January 2022, Consolidated Edison, Exelon, and PG&E filed a joint legal brief to the Supreme Court advocating to uphold EPA’s authority to regulate GHG emissions;
- Sempra subsidiary SoCalGas sued the California Energy Commission in 2020 for failing to promote fossil gas in the state. The company agreed to drop the lawsuit in September 2021;
- In 2019, Entergy threatened to take legal action against the New Orleans City Council if it adopted a 100% Resilient-Renewable Portfolio Standards (R-RPS);
- In March 2019, Consolidated Edison, Exelon, PG&E, and PSEG challenged the Affordable Clean Energy rule, a weaker replacement for the Clean Power Plan.

Astroturfing: Astroturfing refers to the practice of funding or organizing groups to promote a company policy positions, while at the same time representing these positions as coming from community interests. In this way, front groups create false representations of community interests and positions in order to advance their own.¹

¹ The Union of Concerned Scientists authored a 2015 report with more details on astroturfing, among other corporate disinformation tactics.
Edison International subsidiary Southern California Edison, PG&E, and Sempra subsidiary SDG&E are funding Affordable Clean Energy for All (fixthecostshift.com) which advocates to the California PUC to weaken the incentives for rooftop solar in the state.

According to the Los Angeles Times in May 2020, Sempra subsidiary SoCalGas has funded Californians for Balanced Energy Solutions (C2BES), which appears to strongly oppose electrification proposals in the state.

Along with other utilities not covered in this report, Xcel Energy co-launched Coloradans for Energy Access in February 2022. The group advocates for the long-term role of fossil gas in Colorado and opposes “forced electrification.” Xcel is also a member of pro-electrification groups, including the Colorado Beneficial Electrification League, but has not publicly clarified the reason for its involvement in both anti- and pro-electrification efforts.

Evidence collected by InfluenceMap indicates that DTE Energy and CMS Energy subsidiary Consumers Energy have been funding front groups Alliance for Michigan Power and Citizens Energizing Michigan’s Economy, respectively, which have used targeted ads to oppose rooftop solar incentives in Michigan.

According to Huffington Post reporting in February 2018, Eversource has been connected to the Mass Coalition for Sustainable Energy, which has advocated for pipeline expansion in Massachusetts.

Possible Corruption: Among the most notable examples of possible corruption is FirstEnergy’s activity in Ohio. In the ongoing case, the utility has admitted to financially supporting the advocacy group Generation Now with over $60 million in alleged efforts to pass 2019 Ohio House Bill 6, which dismantled the state’s renewable and energy efficiency standards and ensured bailouts for coal. As reported by S&P Global in August 2020, American Electric Power CEO Akins confirmed monetary contributions to another organization, Empowering Ohio’s Economy Inc., which reportedly funded Generation Now.